

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Pend Oreille)	File No. EB-03-TC-123
Telephone Company)	NAL/Acct. No. 200432170001
)	FRN: 0007838568
Apparent Liability for Forfeiture)	

NOTICE OF APPARENT LIABILITY FOR FORFEITURE

Adopted: May 24, 2004

Released: May 24, 2004

By the Chief, Enforcement Bureau:

I. INTRODUCTION

1. In this Notice of Apparent Liability for Forfeiture (“NAL”), we find that Pend Oreille Telephone Company (“Pend Oreille”) apparently violated section 214(e)(1)(B) of the Communications Act of 1934, as amended (the “Act”),¹ and sections 54.405(b) and 54.411(d) of the Commission’s rules, by willfully and repeatedly failing to publicize the availability of Lifeline and Link-Up services “in a manner reasonably designed to reach those likely to qualify” for the services.² Specifically, Pend Oreille failed to advertise Lifeline or Link-Up to low-income residents on tribal lands within its service territory. Based upon our review of the facts and circumstances surrounding the apparent violations, we find Pend Oreille apparently liable for a forfeiture in the amount of \$25,000. We further find that Pend Oreille failed to comply with a directive of the Enforcement Bureau (“Bureau”) to provide certain information and documents. We admonish Pend Oreille for this violation. Finally, we require Pend Oreille to file a report with the Enforcement Bureau within 60 days of this NAL regarding whether it has come into compliance with the Act and the Commission’s rules and orders regarding the obligation to advertise the availability of Lifeline and Link-Up “in a manner reasonably designed to reach those likely to qualify” for the services.

II. BACKGROUND

2. Section 214(e)(1)(B) of the Act provides the statutory basis for the action we take herein.³ Lifeline and Link-Up are universal service support mechanisms that provide for discounted

¹ 47 U.S.C. § 214(e)(1)(B).

² 47 C.F.R. §§ 54.405(b), 54.411(d).

³ Section 214(e)(1)(B) of the Communications Act, 47 U.S.C § 214(e)(1)(B), states: “A common carrier designated as an eligible telecommunications carrier under paragraph (2), (3), or (6) shall be eligible to receive universal service support in accordance with section 254 and shall, throughout the service area for which the
(continued....)

services to low-income consumers. Lifeline provides low-income consumers with discounts on the monthly cost of telephone service for a single telephone line in their principle residence.⁴ Link-Up provides low-income consumers with discounts on the initial costs of installing telephone service.⁵ Recognizing the unique needs and characteristics of tribal communities, Lifeline and Link-Up provide qualifying low-income individuals living on tribal lands with larger discounts than any other group -- up to \$25 more in Lifeline support and \$70 more in Link-Up discounts.⁶

3. Pend Oreille is an eligible telecommunications carrier (“ETC”), *i.e.*, a telephone company eligible to receive universal service support in accordance with section 254 of the Act.⁷ Pend Oreille has been an ETC since 1998. The only tribal land Pend Oreille serves is the Kalispel Reservation in Usk, Washington, which was established as a federal reservation by an Executive Order in 1914 by President Woodrow Wilson.⁸ On October 7, 2003, based on concerns raised informally with the Bureau by tribal leaders, the Bureau sent a Letter of Inquiry (“LOI”) to Pend Oreille,⁹ stating that it was investigating whether it was satisfying its obligation under sections 54.405(b) and 54.411(d) of the Commission’s rules to publicize the availability of Lifeline and Link-Up services to low-income residents on tribal lands “in a manner reasonably designed to reach those likely to qualify” for those services.¹⁰ The LOI directed Pend Oreille to describe any action it had taken over the past year to satisfy sections 54.405(b) and 54.411(d) and to support its response with recordings or transcripts of any radio or television advertisements, written material, or narrative descriptions with accompanying documentation of any other outreach, such as coordination with social service agencies, contact with tribes that administer any relevant government assistance programs, or personal letters to eligible customers.

4. Pend Oreille’s response to the LOI was due on November 15, 2003, but Pend Oreille failed to respond by that date. The Bureau subsequently contacted Pend Oreille about its failure to respond, and Pend Oreille explained that it had misplaced the LOI but would respond shortly.¹¹ On December 11, 2003, almost a full month past the due date, Pend Oreille submitted its response to the LOI. The response, however, did not include the affidavits or declarations required by the LOI.¹²

(...continued from previous page)

designation is received advertise the availability of such services and the charges therefor using media of general distribution.”

⁴ 47 C.F.R. § 54.401(a)(2); *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, 12 FCC Rcd 8776, 8957, ¶ 341(1997).

⁵ 47 C.F.R. § 54.411(a)(1).

⁶ 47 C.F.R. §§ 54.403(a)(4), 54.411(a)(3). “Tier four” support provides eligible subscribers living on tribal lands up to an additional \$25 per month towards reducing basic local service rates, but this discount can not bring the subscriber’s cost for basic local service to less than \$1. *See* 47 C.F.R. § 54.403.

⁷ 47 U.S.C. § 254. *See also*, Letter from Pend Oreille Telephone Company to Colleen Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau (Dec. 9, 2003) (“*Response to LOI*”).

⁸ *See United States v. Pend Oreille Public Utility District*, 926 F. 2d 1502, 1504 (9th Cir. 1991).

⁹ *See* Letter of Inquiry from Colleen Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau, to Pend Oreille Telephone Company (Oct. 7, 2003).

¹⁰ Based on concerns that low-income residents on tribal lands may not be aware of the benefits of Lifeline and Link-Up, the scope of the investigation was limited to ETCs’ efforts to publicize Lifeline and Link-Up to eligible residents on tribal lands.

¹¹ Pend Oreille apparently lost the document among other “miscellaneous correspondence.”

¹² The LOI specifically directed Pend Oreille to produce affidavits and declarations signed by an authorized officer, stating that all of the information requested by the LOI in the company’s possession, custody, control or knowledge had been produced, and that the information was true and correct.

Furthermore, Pend Oreille failed to include the one attachment it referenced in support of its alleged outreach effort to Native Americans. On December 16, 2003, the Bureau once again contacted Pend Oreille and directed that the company amend its filing to include the omitted information, which it did the following day.

5. In its response, Pend Oreille did not identify any outreach or advertising that referenced either the Lifeline or Link-Up services. The only advertisement or outreach to which Pend Oreille referred merely describes the full rate, non-discounted services offered by the company, without any reference to Lifeline or Link-Up services. The company did not provide an explanation as to why it has not taken any action to publicize the availability of Lifeline and Link-Up services on tribal lands.

III. DISCUSSION

6. The Commission has authority under section 503(b)(1)(B) of the Act to assess a forfeiture penalty against a common carrier if the Commission determines that the carrier has "willfully or repeatedly" failed to comply with the provisions of the Act or with any rule, regulation, or order issued by the Commission under the Act.¹³ For a violation to be willful, it need not be intentional.¹⁴

7. As noted above, the scope of this investigation is limited to Pend Oreille's efforts to advertise the availability of Lifeline and Link-up services throughout a portion of its service area, the Kalispel Reservation.¹⁵ Thus, the issue in this case is whether Pend Oreille has advertised the availability of Lifeline and Link-Up services to low-income residents on tribal lands as required by the Act and the Commission's rules.¹⁶ As an ETC, Pend Oreille must meet this statutory obligation. We find that Pend Oreille did not.

8. As stated above, the Commission's rules require ETCs to publicize the availability of Lifeline and Link-Up services "in a manner reasonably designed to reach those likely to qualify" for the services.¹⁷ Although these rules apply to all ETCs, regardless of whether they serve tribal lands, in adopting them the Commission intended, in part, to promote discounted services to low-income individuals living on tribal lands.¹⁸ Those living on tribal lands are generally "likely to qualify" for Lifeline and Link-Up.¹⁹ Indeed, data from the 2000 Census show that 30 percent of families on the Kalispel reservation are below the poverty line.²⁰ Requiring ETCs to publicize the availability of low-income services to tribal communities is critical to the fulfillment of section 254(i) of the Act's mandate that universal service be available at rates that are just, reasonable and affordable.²¹

¹³ 47 U.S.C. § 503(b)(1)(B).

¹⁴ *Southern California Broadcasting Co.*, 6 FCC Rcd 4387 (1991).

¹⁵ *See supra*, n. 9.

¹⁶ *See* 47 U.S.C. § 214(e)(1)(B); 47 C.F.R. §§ 54.405(b), 54.411(d).

¹⁷ 47 C.F.R. §§ 54.405(b), 54.411(d).

¹⁸ *See In the Matter of Federal-State Joint Board on Universal Service*, Twelfth Report and Order, 15 FCC Rcd 12208, 12224, ¶ 26 (2000) ("*Twelfth Report and Order*").

¹⁹ *See id.*, at 12208, ¶ 27 ("[F]ederal statistics reveal that tribal communities are among the poorest populations in the United States").

²⁰ *See* 2000 Census, Table DP-3 at <http://www.censtats.census.gov/data/US/2501735.pdf>. The same data indicate that 206 people live on the Kalispel Reservation. *See id.* at Table DP-1.

²¹ 47 U.S.C. § 254(i).

9. The Commission's rules give ETCs flexibility in deciding the type of outreach that is "reasonably designed to reach those likely to qualify" for the services.²² In Pend Oreille's circumstances, however, its response to the Bureau's LOI indicates that it did nothing whatsoever to comply with the Commission's rules. The single document Pend Oreille submits as evidence that it did any advertising at all relevant to this investigation omits any mention of its Lifeline or Link-Up offerings. Furthermore, Pend Oreille admits that only five Native Americans living on the Kalispel Reservation receive Lifeline and Link-Up services.²³ Based on these facts, we find that Pend Oreille apparently violated the Commission's rules by failing to publicize the availability of Lifeline and Link-Up services to low-income consumers residing on tribal lands.

10. With regard to Pend Oreille's late filing and omission of relevant information, we find that Pend Oreille violated a Commission order by failing to comply with the LOI. Although the company claims that the LOI was sent to an incorrect address, it did receive it in ample time to respond in a timely manner.²⁴ Rather than addressing the Bureau's inquiry, Pend Oreille apparently lost the document among other "miscellaneous correspondence" and, when contacted by the Bureau several weeks after the response was due, answered the LOI in an incomplete manner. Pend Oreille's apparent negligence in first misplacing a Commission directive, and then submitting an incomplete response, demonstrates a lack of respect for the Commission's authority which, in turn, undermined this investigation. We therefore admonish Pend Oreille for this violation of our order.

IV. FORFEITURE AMOUNT

11. Section 503(b) of the Communications Act authorizes the Commission to assess a forfeiture of up to \$120,000 for each violation of the Act or of any rule, regulation, or order issued by the Commission under the Act.²⁵ In exercising such authority, we are required to take into account "the nature, circumstances, extent, and gravity of the violation and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require."²⁶

²² We do, however, require an ETC to identify communities with the lowest subscribership levels within its service territory and make appropriate efforts to reach qualifying individuals within those communities. For example, we would expect a carrier to take into consideration the cultural and linguistic characteristics of low-income communities within its service territory as well as the efficacy of particular methods in reaching the greatest number of qualifying low-income individuals within those communities. *See Twelfth Report and Order*, 15 FCC Rcd at 12250, ¶ 79. *See also Lifeline and Link-Up*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 03-109, 2004 WL 912459, ¶¶ 44-49, 58 (rel. April 29, 2004) (adopting outreach guidelines and proposing outreach requirements).

²³ *See Response to LOI*.

²⁴ Pend Oreille acknowledges that it received the LOI in late October. *See id.*

²⁵ Section 503(b)(2)(B) provides for forfeitures up to \$100,000 for each violation or a maximum of \$1,000,000 for each continuing violation by common carriers or an applicant for any common carrier license, permit, certificate or similar instrument. 47 U.S.C. § 503(b)(2)(B). The Commission amended its rules by adding a new subsection to its monetary forfeiture provisions that incorporates by reference the inflation adjustment requirements contained in the Debt Collection Improvement Act of 1996 (DCIA), Pub L. No. 104-134, § 31001, 110 Stat. 1321 (1996). Thus, the maximum statutory forfeiture per violation pursuant to section 503(b)(2)(B) increased from \$100,000 to \$120,000. *See Amendment of Section 1.80(b) of the Commission's Rules and Adjustment of Forfeiture Maxima to Reflect Inflation*, 15 FCC Rcd 18221 (2000).

²⁶ *See* 47 U.S.C. § 503(b)(2)(D); *see also The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Commission's Rules*, 12 FCC Rcd 17087 (1997) ("Forfeiture Policy Statement"); *recon. denied*, 15 FCC Rcd 303 (1999).

In addition, the Commission has established guidelines for forfeiture amounts and, where there is no specific base amount for a violation, retained discretion to set an amount on a case-by-case basis.²⁷

12. The Commission's forfeiture guidelines do not address the specific violation at issue in this proceeding. In determining the proper forfeiture amount in this case, however, we note that the Commission has made clear that the provision of universal service throughout the country represents one of the primary goals of the Act.²⁸ Congress intended all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas, to have access to telecommunications and information services at rates that are reasonable and affordable.²⁹ All of the universal service support mechanisms, including the requirement to publicize the availability of low-income services, are necessary to effectuate this central statutory goal. As we have noted in previous proceedings where carriers have undermined our universal service goals by disregarding their regulatory obligations, we find Pend Oreille's violations of the Commission's rules substantially damaging to a program that is both an important congressional goal and a primary focus of this Commission.³⁰ Pend Oreille appears to have violated two Commission rules section 54.405(b) by failing to publicize the availability of Lifeline discounts to low-income residence of the Kalispel Reservation, and 54.411(d) by similarly failing to publicize the availability of Link-Up discounts. In light of the circumstances present in this case, we determine that a forfeiture of \$25,000 is reasonable, and propose a total forfeiture in that amount.³¹

13. Pend Oreille will have the opportunity to submit further evidence and arguments in response to this NAL to show that no forfeiture should be imposed or that some lesser amount should be assessed.³²

V. CONCLUSIONS AND ORDERING CLAUSES

14. We have determined that Pend Oreille has apparently violated 214(e)(1)(B) of the Act, and sections 54.405(b) and 54.411(d) of the Commission's rules by willfully or repeatedly failing to publicize the availability of Lifeline and Link-Up services to low-income residents of tribal lands in a manner reasonably designed to reach those likely to qualify for the service or support. We find Pend Oreille apparently liable for \$25,000. We also admonish the company for failing to respond in a timely and thorough manner to a Commission directive.

15. Accordingly, IT IS ORDERED, pursuant to 503(b) of the Communications Act of 1934, as amended, 47 U.S.C. § 503(b), and sections 0.111, 0.311 and 1.80 of the Commission's rules, 47 C.F.R. §§ 0.111, 0.311 and 1.80 that Pend Oreille Telephone Company IS HEREBY NOTIFIED of an Apparent Liability for Forfeiture in the amount of \$25,000 for willful and repeated violations of Section 214(e)(1)(B) of the Act, 47 U.S.C. § 214(e)(1)(B) and sections 54.405(b) and 54.411(d) of the Commission's rules 47 C.F.R §§ 54.405(b), 54.411(d) as described in the paragraphs above.³³

²⁷ *Forfeiture Policy Statement*, 12 FCC Rcd 17098-99, ¶ 22.

²⁸ *See Conquest Operator Services Corp.*, Apparent Liability for Forfeiture, 14 FCC Rcd 12518, 12526 (1999) (citing Pub. L. No. 104-104, 110 Stat. 56 (1996)) ("*Conquest*").

²⁹ 47 U.S.C. § 254(b)(1); *see also* 47 U.S.C. § 254(b)(3).

³⁰ *See Conquest*, 14 FCC Rcd at 12527.

³¹ 47 U.S.C. § 503(b)(4)(A).

³² 47 U.S.C. § 503(b)(4)(C); 47 C.F.R. § 1.80(f)(3).

³³ 47 U.S.C. § 214(e)(1)(B); 47 C.F.R. §§ 54.405(b), 54.411(d).

16. IT IS FURTHER ORDERED, pursuant to section 1.80 of the Commission's rules, 47 C.F.R. § 1.80, that within thirty (30) days of the release of this Notice of Apparent Liability, Pend Oreille Telephone Company SHALL PAY the full amount of the proposed forfeiture³⁴ OR SHALL FILE a response showing why the proposed forfeiture should not be imposed or should be reduced.³⁵

17. IT IS FURTHER ORDERED that Pend Oreille SHALL FILE a report with the Chief, Telecommunications Consumers Division, Enforcement Bureau, FCC, within 60 days from the release of this Notice, on whether it has come into compliance with the Act and the Commission's rules and orders regarding the obligation to advertise the availability of Lifeline and Link-Up "in a manner reasonably designed to reach those likely to qualify" for the services. The report should provide details describing Pend Oreille's compliance actions.³⁶

18. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices ("GAAP"); or (3) some other reliable and objective documentation that accurately reflects the petitioner's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation submitted.

19. Requests for payment of the full amount of this Notice of Apparent Liability under an installment plan should be sent to: Chief, Revenue and Receivables Operations Group, 445 12th Street, S.W., Washington, D.C., 20554.³⁷

20. IT IS FURTHER ORDERED that Pend Oreille IS ADMONISHED for failing to respond timely and thoroughly to a Commission directive.

21. Under the Small Business Paperwork Relief Act of 2002, Pub L. No. 107-198, 116 Stat. 729 (June 28, 2002), the FCC is engaged in a two-year tracking process regarding the size of entities involved in forfeitures. If you qualify as a small entity and if you wish to be treated as a small entity for tracking purposes, please so certify to us within thirty (30) days of this Notice of Apparent Liability, either in your response to the NAL or in a separate filing to be sent to the Telecommunications Consumers Division. Your certification should indicate whether you, including your parent entity and its subsidiaries, meet one of the definitions set forth in the list provided by the FCC's Office of Communications Business Opportunities ("OCBO") set forth in Attachment A of this NAL. This information will be used for tracking purposes only. Your response or failure to respond to this question

³⁴ The forfeiture amount should be paid by check or money order drawn to the order of the Federal Communications Commission. Pend Oreille should include the reference "NAL/Acct. No. 200432170001" on its check or money order. Such remittance must be mailed to Forfeiture Collection Section, Finance Branch, Federal Communications Commission, P.O. Box. 73482, Chicago, Illinois 60673-7482. Requests for full payment under an installment plan should be sent to: Chief, Credit and Debt Management Center, 445 12th Street, S.W., Washington, D.C. 20554. See 47 C.F.R. § 1.1914.

³⁵ If Pend Oreille chooses to respond, it should mail its response to Colleen Heitkamp, Chief, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W. Room 3-C365, Washington, D.C. 20554, and must include the file number listed above. It should also send an electronic copy of its response to Mark Stone, Deputy Chief, Telecommunications Consumers Division, at mark.stone@fcc.gov and Cynthia Bryant, Attorney, Telecommunications Consumers Division, at cynthia.bryant@fcc.gov.

³⁶ To comply with this Ordering Clause, Pend Oreille should follow the requirements n.35 *supra*.

³⁷ 47 C.F.R. § 1.1914.

will have no effect on your rights and responsibilities pursuant to Section 503(b) of the Act. If you have questions regarding any of the information contained in Attachment A, please contact OCBO at (202) 418-0990.

22. IT IS FURTHER ORDERED that copies of this Notice of Apparent Liability SHALL BE SENT by certified mail, return receipt requested, to Mark R. Martell, Assistant Manager, Pend Oreille Telephone Company, 892 W. Madison Avenue, Glens Ferry, ID 83623.

FEDERAL COMMUNICATIONS COMMISSION

David H. Solomon
Chief, Enforcement Bureau

ATTACHMENT A

FCC List of Small Entities

As described below, a “small entity” may be a small organization, a small governmental jurisdiction, or a small business.

(1) Small Organization	
Any not-for-profit enterprise that is independently owned and operated and is not dominant in its field.	
(2) Small Governmental Jurisdiction	
Governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.	
(3) Small Business	
Any business concern that is independently owned and operated and is not dominant in its field, <i>and</i> meets the pertinent size criterion described below.	
Industry Type	Description of Small Business Size Standards
<i>Cable Services or Systems</i>	
Cable Systems	Special Size Standard – Small Cable Company has 400,000 Subscribers Nationwide or Fewer
Cable and Other Program Distribution	\$12.5 Million in Annual Receipts or Less
Open Video Systems	
<i>Common Carrier Services and Related Entities</i>	
Wireline Carriers and Service providers	1,500 Employees or Fewer
Local Exchange Carriers, Competitive Access Providers, Interexchange Carriers, Operator Service Providers, Payphone Providers, and Resellers	

Note: With the exception of Cable Systems, all size standards are expressed in either millions of dollars or number of employees and are generally the average annual receipts or the average employment of a firm. Directions for calculating average annual receipts and average employment of a firm can be found in 13 CFR 121.104 and 13 CFR 121.106, respectively.

<i>International Services</i>	
International Broadcast Stations	\$12.5 Million in Annual Receipts or Less
International Public Fixed Radio (Public and Control Stations)	
Fixed Satellite Transmit/Receive Earth Stations	
Fixed Satellite Very Small Aperture Terminal Systems	
Mobile Satellite Earth Stations	
Radio Determination Satellite Earth Stations	
Geostationary Space Stations	
Non-Geostationary Space Stations	
Direct Broadcast Satellites	
Home Satellite Dish Service	
<i>Mass Media Services</i>	
Television Services	\$12 Million in Annual Receipts or Less
Low Power Television Services and Television Translator Stations	
TV Auxiliary, Special Broadcast and Other Program Distribution Services	
Radio Services	\$6 Million in Annual Receipts or Less
Radio Auxiliary, Special Broadcast and Other Program Distribution Services	
Multipoint Distribution Service	Auction Special Size Standard – Small Business is less than \$40M in annual gross revenues for three preceding years
<i>Wireless and Commercial Mobile Services</i>	
Cellular Licensees	1,500 Employees or Fewer
220 MHz Radio Service – Phase I Licensees	

220 MHz Radio Service – Phase II Licensees	Auction special size standard - Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and controlling principals) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and controlling principals)
700 MHz Guard Band Licensees	
Private and Common Carrier Paging	
Broadband Personal Communications Services (Blocks A, B, D, and E)	1,500 Employees or Fewer
Broadband Personal Communications Services (Block C)	Auction special size standard - Small Business is \$40M or less in annual gross revenues for three previous calendar years Very Small Business is average gross revenues of \$15M or less for the preceding three calendar years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
Broadband Personal Communications Services (Block F)	
Narrowband Personal Communications Services	
Rural Radiotelephone Service	1,500 Employees or Fewer
Air-Ground Radiotelephone Service	
800 MHz Specialized Mobile Radio	Auction special size standard - Small Business is \$15M or less average annual gross revenues for three preceding calendar years
900 MHz Specialized Mobile Radio	
Private Land Mobile Radio	1,500 Employees or Fewer
Amateur Radio Service	N/A
Aviation and Marine Radio Service	1,500 Employees or Fewer
Fixed Microwave Services	
Public Safety Radio Services	Small Business is 1,500 employees or less Small Government Entities has population of less than 50,000 persons
Wireless Telephony and Paging and Messaging	1,500 Employees or Fewer
Personal Radio Services	N/A
Offshore Radiotelephone Service	1,500 Employees or Fewer
Wireless Communications Services	Small Business is \$40M or less average annual gross revenues for three preceding years Very Small Business is average gross revenues of \$15M or less for the preceding three years
39 GHz Service	
Multipoint Distribution Service	Auction special size standard (1996) – Small Business is \$40M or less average annual gross revenues for three preceding calendar years Prior to Auction – Small Business has annual revenue of \$12.5M or less
Multichannel Multipoint Distribution Service	\$12.5 Million in Annual Receipts or Less

Instructional Television Fixed Service	
Local Multipoint Distribution Service	Auction special size standard (1998) – Small Business is \$40M or less average annual gross revenues for three preceding years Very Small Business is average gross revenues of \$15M or less for the preceding three years
218-219 MHz Service	First Auction special size standard (1994) – Small Business is an entity that, together with its affiliates, has no more than a \$6M net worth and, after federal income taxes (excluding carryover losses) has no more than \$2M in annual profits each year for the previous two years New Standard – Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
Satellite Master Antenna Television Systems	\$12.5 Million in Annual Receipts or Less
24 GHz – Incumbent Licensees	1,500 Employees or Fewer
24 GHz – Future Licensees	Small Business is average gross revenues of \$15M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates) Very Small Business is average gross revenues of \$3M or less for the preceding three years (includes affiliates and persons or entities that hold interest in such entity and their affiliates)
<i>Miscellaneous</i>	
On-Line Information Services	\$18 Million in Annual Receipts or Less
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturers	750 Employees or Fewer
Audio and Video Equipment Manufacturers	
Telephone Apparatus Manufacturers (Except Cellular)	1,000 Employees or Fewer
Medical Implant Device Manufacturers	500 Employees or Fewer
Hospitals	\$29 Million in Annual Receipts or Less
Nursing Homes	\$11.5 Million in Annual Receipts or Less
Hotels and Motels	\$6 Million in Annual Receipts or Less
Tower Owners	(See Lessee's Type of Business)